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SUBJECT: MONTENEGRO LOCAL ELECTIONS -- KOSOVO RECOGNITION NOT A MAJOR
FACTOR

REF: PODGORICA 210

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¶1. (SBU) Summary: The coastal tourist town of Kotor witnessed, on November 9, the first elections in Montenegro since the GoM recognition of Kosovo's independence. The party of PM Djukanovic -- the Democratic Party of Socialists (DPS) -- increased its representation in the city assembly, a significant outcome given that the election was touted by some as a bellwether of popular opinion on the Kosovo issue. The election also was characterized by substantial campaign bickering between current (national and local) coalition partners -- the DPS and the Social Democratic Party (SDP). The two parties are running separately for the first time in Kotor since 1996. All parties told us they are open to nearly any post election coalition, leaving the door open for a ruling coalition shake up in Kotor. End Summary.

¶2. (U) According to the initial results (which should be formally confirmed on November 13 if no complaints are filed), the DPS won 40 percent of votes (14 mandates), followed by Socialist People's Party (SNP) with 19 percent (7 mandates), the Serbian List (SL) with 11 percent (4 mandates), SDP with 9 percent (3 mandates) and Liberal Party (LP) with 6 percent (2 mandates). Movement for Change (PzP), People's Party (NS), and Croatian Civic Initiative (HGI) will have a single councilor per party. The total number of councilors elected was 33. The preliminary data from the Centre for Democratic Transition (CDT), which is the only organization which observed the elections, puts turnout at roughly 64 percent of the 17,818 registered voters. No irregularities were reported on election day.

Kosovo: Not the Issue, All About Improving Living Standards

¶3. (SBU) PolCouns met with representatives of each of the eight parties running in the local election -- DPS, SDP, HGI, SNP, LP, NS, PzP, and SL -- on November 5.

¶4. (SBU) Infrastructure improvements and basic standard of living issues topped every party's campaign priorities. Current ruling coalition parties DPS and SDP pointed to the improvements already completed "under their tenure," such as the new tunnel (bypassing a treacherous mountain pass) on the road to the old city and the growing tourism sector. Both parties -- though SDP more eloquently and in much more detail -- outlined the ongoing development of Kotor as a primary tourist destination for the country and pointed to plans already in the works for further road and basic infrastructure improvements. At the final rally before the pre-election silence, PM (and DPS President) Milo Djukanovic told voters to remember that the DPS, which has been

leading the ruling coalition in Kotor for the last four years, had lived up to all they promised voters four years ago. SNP, NS, and the Liberals (the LP also was part of the previous ruling coalition) also highlighted infrastructure improvements as their key post-election priority for the next Council.

15. (SBU) Only the SL (composed of largely the same parties that make up the list at the national level, and headed by Andrija Mandic's Serbian People's Party (SNS)), raised the GoM's Kosovo decision as an issue for the elections. SNS Municipal Board President Ljubo Bozovic told us that the Kotor election would serve as a referendum on the Kosovo issue. In the end it may have helped to shore up SNS/SL voters -- the SL doubled their mandates from two seats to four -- but the strong DPS results indicate that the issue did not resonate with most citizens.

DPS - SDP Showdown: A Harbinger of Things to Come?

16. (SBU) Though leaders of both parties were very polite and diplomatic when talking directly with us about their coalition partner, both have been outspoken critics of the other in the weeks leading up to the election. The pre-electoral campaign was characterized by strong rhetoric particularly between the DPS Mayor of Kotor, Marija Catovic, and the SDP Speaker of Parliament, Ranko Krivokapic (a native of Kotor). Some highlights of their open and very public clash included Krivokapic accusing the local DPS of supporting the opposition proposal for the local council to consider a resolution recommending the GoM revoke decision on Kosovo and accusations that some local DPS officials had participated in the 1992 siege of Dubrovnik. In response, Mayor Catovic claimed that Krivokapic had no interest in serving the public and is only interested in making political decisions that personally benefit him. She also accused Krivokapic of trying to illegally change the town's urban plan.

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Results: PzP Biggest Loser; SNP on the Rise?

17. (SBU) The DPS was the biggest overall winner, winning 14 seats (the same number alone as the DPS-SDP coalition won together in 2004). The SL gained two additional mandates, but most parties saw a small decrease in the number of councilors. Opposition PzP appears to be the biggest loser in these elections; compared to the number of votes the party received in the April 2008 Presidential elections, its support has decreased significantly -- by 75 percent. (Note: the PzP had no local councilors in the previous council as they had not been formed as a political party at the time of the 2004 elections. End note.) On the other hand, though technically losing two seats since 2004 (from nine to seven mandates), Srdjan Milic's SNP emerges as one of the winners in the election, gaining a seven percent increase in support since the Presidential elections last April. The SNP looks increasingly to be positioning itself as the most relevant non-nationalist opposition party, while the PzP continues to flounder. As Milic and the SNP continue to pursue a more moderate opposition stance (on issues such as Kosovo for example, they sided with the united opposition initially, but ultimately decided not to boycott parliament with the SL), it is likely that the strongly pro-Serb voters within SNP gave their votes to the SL.

18. (SBU) Early indications are that the DPS, who need just three seats to form a majority, will look to form a coalition with the Liberals who have two seats and the minority Croatian HGI who have one seat. Local DPS leader Borislav Kascelan has said that he would resign if the DPS strikes a deal with the SDP, and so far it appears that the vitriolic rhetoric of the campaign has done irreparable damage to relations between the former partners, at least in Kotor. This will throw the SDP into the opposition and could presage tensions at the national level.

Theoretically, any party is in a position to form a coalition and send DPS into the opposition; however, given the good relations the DPS traditionally has had with both the LP and HGI and the fact that the SDP told us on November 5 that they would never consider a coalition with pro-Serb parties, a coalition excluding the DPS is extremely unlikely.

Possible Irregularities with Prison Votes

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9 (SBU) CDT representative Milica Kovacevic told us on November 10 that the Municipal Election Commission counted 22 votes from the "Spuz" prison, out whom 21 voted for the DPS. Although the prison was not registered as a separate polling station, on election day the prison functioned as a separate polling station (technically the Municipal Election Commission must approve all stations in advance). Observers were not allowed to monitor, and the prison votes were included in the total number of votes cast. This potential irregularity is extremely relevant as it is likely to give the DPS an additional, fifteenth mandate which would enable it to establish a government with just the LP. Additionally, the difference between the DPS and SNP for the last mandate was only 15 votes, so the DPS (unofficially) might win the fifteenth mandate because of this polling station. (The results will be officially approved later this week.)

Comment

10. (SBU) The DPS, with support from both (or either) the LP and HGI, will most likely remain in power in Kotor. Its overwhelming success has shown that the popular vote -- at least in Kotor -- has not changed dramatically since the GoM's decision to recognize Kosovo's independence. While the DPS remains by far the strongest political party, Andrija Mandic's SL is increasingly perceived as the primary pro-Serb opposition party, and SNP appears to be attracting some previously PzP centrist voters. Although it remains to be seen how the DPS and SDP will position themselves in advance of the national parliamentary elections that are due by fall 2009, the most recent developments at the national level (REF) and the pre-electoral campaign in Kotor are signs of some vulnerabilities in the coalition. It is looking increasingly likely that the DPS and SDP will run separately at the national level, though a post-election coalition would still be a possibility. SNP's strong showing in Kotor should continue to position the party well to be legitimately considered by the DPS for a future national coalition. However, many pundits believe that the political games between DPS and SDP are artificial and that neither would benefit from ending their coalition, at least at the national level. End comment.

MOORE